

Federal Car Allowance Rebate System Procedures

Information

The Car Allowance Rebate System (CARS) is the federal program that offered consumers a rebate on the purchase or lease of a new fuel-efficient vehicle, when they traded in their qualifying vehicle. Vehicles accepted by dealers through the CARS program are required to be crushed or shredded.

Procedures

Dealers who accepted the vehicle under the CARS program must surrender the title to the Department of Motor Vehicles (DMV) to have the vehicle reported as a nonrevivable junk. The junk receipt will be issued in the dealer's or dismantler's name.

To obtain a junk receipt the titles must be submitted to the DMV. All titles must be marked "Clunker," "Cash for Clunkers," or "CARS" to indicate the vehicle was acquired using the CARS rebate. The reverse side of the title must be completed to show the dealer as the registered owner or the name of the dismantler that will be crushing or shredding the vehicle.

The vehicle status will indicate that the vehicle is nonrevivable. The vehicle cannot be used again on any roadway.

Background

The federal CARS program providing rebates to consumers requires the vehicle to be shredded or crushed and not eligible to be driven again on any roadway. Titles must be surrendered to the DMV to obtain a junk receipt.

Distribution

Notification that this memo is available online, at www.dmv.ca.gov under Publications was made via e-mail alert in October 2009.

Contact

Call the DMV Customer Communications Section, at (916) 657-6560 for further clarification of this memo. Upon request, this document can be produced in Braille or large print.



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